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Next 1 Page(s) In Document Denied

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TRADE UNIONS OF YUGOSLAVIA
Republic Council of Serbia
CENTER FOR WORKERS' SELF-GOVERNMENT

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A RECOMMENDATION OF THE
COUNCIL OF PRODUCERS TO ECONOMIC
ORGANIZATIONS

BEOGRAD
SEPTEMBER 1960

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A recommendation of the Council of Producers
of the Municipal People's Committee of Rakovica village
to economic organizations within its area on a project
to erect a restaurant from their social service funds.

The Rakovica municipality ⁽¹⁾ belongs to the city of
Beograd and has an area of 46.52 square kilometers. There are
six communities on its territory (the villages Košutnjak, Ra-
kovic, Kneževac, Kijevo, Jasnik and Rulanj) with about 20,000
inhabitants.

On the territory of the Rakovica municipality there
were 23 industrial and other economic organizations as well as
4 factories belonging to enterprises situated outside the terri-
tory of this municipality. The income of the above mentioned
industrial and economic organizations amounted to 17,075,345,000
dinars in 1958, that is:

	(1,000 dinars)
Industry	16,340,999
Agriculture	238,427
Commerce and	
Catering industry	69,343
Handicraft	139,917
Communal services	236,668

The total number of workers and office employees in

(1) In accordance with the latest territorial division of
this area this municipality was incorporated into the Rakovica
municipality on the 1st of January 1961.

these enterprises amounted to 5,169 i.e.:

Industry	4,579
Agriculture	58
Commerce and	
Catering industry	82
Handicraft	295
Municipal services	152

The economic plan of the Municipal People's Committee of Rakovica for 1959 anticipated the total income to be increased by 37 percent, while the total employment was to be increased by 12,7 percent in comparison with 1958. According to some estimates about 30 percent of the total number of all persons employed did not dwell on the territory of this municipality. A number of these workers and office employees resided in Beograd proper while the rest lived in the neighbouring villages.

The workers of the enterprises situated on the territory of this municipality mainly used their enterprises' own buses as well as the local buses, tramways and trains for going to and from work. The communications with Beograd was rendered especially difficult by the fact that the crossing point of the highway, tramway and railway traffic lines was at the very proximity of Rakovica.

On the territory of the Rakovica municipality there was a restaurant, 3 lunch rooms, a bakery with 8 shops as well as a retail enterprise with 20 medium-sized shops and a large store. The Rakovica municipality also had an outdoor market-place.

Several years ago the responsible functionaries of the Rakovica municipality began studying the problem of nourishment and undertook to solve it by opening workers' and employees' restaurants within the existing enterprises. Thus, in the course of 1955 and 1956 there were opened four of such restaurants and two

messes (within the boarding school and the ...)

- 3 -

as well.

At the beginning of 1958 the Secretariat of the Rakovica Municipal Committee of the League of Communists of Yugoslavia made efforts to throw more light on this problem.

It was found that the existing restaurants within individual factories were of insufficient capacity and did not offer a proper solution.

As a matter of fact, the following categories did not avail themselves of the services of the factory restaurants:

- Workers belonging to other economic organisations, public services etc;
- family members of the employed workers;
- other citizens.

On the other hand, a number of factories had no possibility of opening their own restaurants while the existing several units of the catering industry, because of their insufficient capacity and the high prices were far from satisfying the actual needs.

Taking all this into account the Secretariat of the Municipal Committee of the League of Communists of Yugoslavia came to the conclusion that it would be necessary to take appropriate measures with a view of finding a global solution for the entire problem of public nutrition. It was decided that first of all a mixed commission, charged with studying thoroughly the actual situation and making its recommendations should be formed.

In search of a solution the Municipal Trade Union Council, the Municipal Council of Producers and the Municipal Committee of the Socialist Alliance of the Working People of Yugoslavia in their joint plan of activity for 1958 foresaw a more appropriate solution of the nutrition problem in the municipality by the end of August. It was also stipulated to organize a number of conferences including either all Workers' Councils in the enterprises or several of them.

- 4 -

The necessity for approaching the problem of public nutrition as soon as possible was also underlined by the Peoples Youth organization of Rakovica.

In April 1958 the Municipal People's Committee formed a Commission consisting of 7 members representatives of the Council of Producers, the Municipal Trade Union Council, the Municipal Committee of the Socialist Alliance of the Working People of Yugoslavia, and several economic organizations as well. In May 1958 a systematic plan⁽²⁾ was drawn by the Commission and its realization shortly ensued. At the beginning of June 1958 all the enterprises on the territory of the municipality received a letter from the Municipal People's Committee in which it was pointed out:

- that the public nutrition problem was not solved in a satisfactory way;

- that the Municipal People's Committee had the intention of solving the public nutrition problem with the aid of the economic organizations in a more appropriate and more efficient manner in accordance with the existing and the future requirements either by adaptation of an existing building or, if possible, by the construction of a new one;

(2) According to the plan of the Commission it was proposed to gather and analyze the required data received from the enterprises as well as to examine the conditions and the various possibilities for the establishment of a public restaurant (the adaptation of the existing building or the construction of a new one as well as the capacity, equipment, personnel, and the organization pattern of the public restaurant as well). It was proposed to study the legal aspects of such an establishment, the funds required, the possible participation of enterprises in the expenditures as well as the probability of the occurrence of some legal hindrances.

- 5 -

- that in the course of the year preparations were to be undertaken with the probability of completing the project early in the following year after the Municipal People's Committee and the economic enterprises would supply more information about the financial resources which could be set apart for this purpose.

In addition to the request according to which Workers' Councils had to be acquainted with the substance of the above mentioned letter they were asked to answer the following questions:

"1. Does the Workers' Council in principle approve the plan of the Municipal People's Committee concerning the solution of public nutrition problem on the territory of the municipality and does it want to have its workers and office employees to use the services of the planned public restaurant?

2. Is your enterprise in principle willing and able, jointly with other enterprises and the Municipal People's Committee, to contribute a proportionate part in capital investment necessary for the adaptation of a building or for the construction of one, as well as in the procurement of the equipment needed?

3. In accordance with the probability of locating the public restaurant building in the very center of Rakovica and in conformity with the conditions prevailing in your enterprise, we want to know if you prefer to have the food for your workers distributed at the central restaurant or only prepared ^{in that} ~~in that~~ building but sent to and distributed within your enterprise?"

At the same time, the enterprises with their own restaurants were asked to submit data on these restaurants and their problems.

Nevertheless, the Municipal People's Committee received

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- 6 -

the data requested and the written answers from the Workers' Councils of only several economic organizations⁽³⁾.

On the basis of both the data gathered and the information⁽⁴⁾ received subsequently the Commission arrived at the following conclusion:

- that the existing factory restaurants (including Hostels and Boarding school) were distributing on the average 2,210 meals a day (of which 1,360 were lunches)⁽⁵⁾ while the restaurants of the catering industry were distributing 220 meals (of which 110 lunches).

(3) The "IMR" Motors Factory Workers' Council for instance discussed these questions and reached the following decision:

"The Workers' Council of the enterprise has studied the proposal of the Municipal People's Committee of Ljubovica concerning the opening of a public restaurant for the entire area and has in principle adopted the suggestion of the Municipal People's Committee without incurring any obligations". A similar reply, sent by the "Bekord" rubber products plant was based on the mutual consent of "several comrades of the enterprise" while the letter received from the Municipal People's Committee had not been submitted to the Workers' Council. As a matter of fact, the Workers' Councils did not at this occasion incur any obligations concerning the allocation of funds.

(4) With a view to finding the most convenient solution for the public nutrition problem and the proposal given by the Municipal People's Committee and the Municipal Trade Union Council, in July 1958 the representatives of public authorities, enterprises and social-political organizations as well, went to the town of Brezjanin in order to study their local experiences in this sphere.

(5) At "IMR" Motors Factory 650 meals, at "Jugostroj" plant 320, at "Jedinstvo" plant 450, at "21st Maj" plant 570, and at Hostel and Boarding schools about 220.

- 7 -

- that the economic organizations were putting at the disposal of their restaurants considerable amounts of resources coming from various sources and provided meals at comparatively low prices⁽⁶⁾.

In addition, the Commission concluded that the restaurant of one plant was frequented by workers and office employees of some neighbouring enterprises and public services.

After having consulted the Chamber of Catering Industry in Beograd the Commission arrived at the conclusion that the adaptation of the one existing public restaurant would not offer adequate solution on account of its inconvenient location, the comparatively high prices of its services and some other reasons as well.

Stipulating that such a system of public nutrition had numerous shortcomings the Commission decided to make and submit to the Municipal People's Committee the following recommendation:

" a) To build a large public restaurant in Rakovica with a capacity of 3,000 meals a day which, if necessary, could be raised to 5,500 meals. Within this unit a restaurant for 200 guests would be opened. The total value of this unit would amount to 85,000,000 dinars (60,000,000 invested into the construction of buildings and the remaining 25,000,000 into the equipment). Meals would be distributed in three following ways: the larger part of meals would be carried by special transportation means to the larger enterprises and Boarding schools and be served in their own dining-rooms; a part would be served at the central restaurant, while the remainder would be carried to private homes by individual consumers;

b) to erect this establishment with the view of having

(6) According to data from the annual financial report of the economic organizations it was confirmed that in the course of 1958 the total allocations received by 4 economic enterprises

- 8 -

as cheap as possible by concentrating the funds of economic organizations which would not to be returned;

c) to start in the course of 1959 with the construction of the above mentioned unit and to have it finished by 1960g".

In conformity with the proposal of the Commission on the 15 of August 1958 an arrangement was reached between the Municipal People's Committee and the Agricultural Designers' Office in Beograd concerning the drafting of ~~an~~ a capital investment programme for the erection of public restaurant. As provided by the arrangement the capital investment programme had to be fulfilled by the end of August 1959 and the general plan by the end of September 1959.

In its endeavour to secure the investment funds required the Municipal People's Committee referred at the beginning of September 1958 to the Secretariat for Finance of the Beograd City People's Committee in order to check the possibilities of obtaining a loan. After the needed conditions were ascertained the opportunities for assembling the financial resources of economic organizations were put under study.

After the preliminary agreement reached by the Secretariat of the Municipal Committee of the League of Communists of Yugoslavia and the representatives of some other social political organizations, all enterprises were visited at the beginning of September. On this occasion the president of the Municipal People's Committee of the League of Communists of Yugoslavia and the chief of the Municipal People's Committee Department for Economy and Finance had talks with the representatives of the enterprises⁽⁷⁾ in order to become acquainted with their position to and their willingness for the

o/. (6) amounted to Din. 10.4 millions, i. e.: "IMR" Motor Factory of Jakovica 4.6 millions, "21 Maj" plant 2.4 millions,

- 9 -

contributing funds, as well as with their views on solving the public nutrition problem through the establishment of a new public restaurant.

The representatives of the enterprises whose position was not changed since ~~the~~ June 10, 1958 letter were asked to become acquainted with the views of the workers on the opening of a public restaurant.

However in this respect there ^{was} taken no special measures and workers were but partially informed about this matter.

Later, at the beginning of November, a meeting was organized by the representatives of economic organizations situated on the territory of this municipality. On this occasion there was a discussion of the amounts of financial resources of the enterprises and criteria for determining quotas of expenditures of economic organizations for the opening of restaurant. At the same time the Municipal People's Committee Department for Planning and Finance was given task of determining the above mentioned quotas in accordance with the criteria adopted at the meeting.

Both the problem of the financial resources of the economic organizations and quotas suggested by the Service for Planning and Finance were again under study during the discussion on the draft of the economic plan of the municipality of Rakovica for 1959. The discussion took place at the joint session of the Council for Economy and the Council for Finance of the Municipal People's Committee held in January 1959 with the

./• (6) "Jedinstvo" plant 2.2 millions, and "Jugostroj" plant 1.2 millions. The price of a lunch at the restaurant of "IMM" Motor Factory of Rakovica varied for instance from Din.20 to Din. 60 a dish.

(7) In both "IMM" Motor Factory of Rakovica and in the "Record" plant this problem was discussed with the directors of

- 10 -

participation of the Municipal Trade Unions Council and some other social political organizations.

Simultaneously with these discussion of responsible functionaries of the Rakovica municipality the public nutrition problem was under study within the framework of the City of Beograd. As a matter of fact, in Autumn 1958 the principles for the solution of public nutrition problem were adopted at the joint session of both Councils of the City Municipal Committee. Thereafter the City Office for the Development of Catering Industry drew up a plan for the study of existing needs and possibilities for a longterm solution of the problem within the whole area of the city.

The leading functionaries of the municipality and the city of Beograd held many consultations on problems pertaining both to the pattern of gathering and utilizing financial resources.⁽⁸⁾

In February 1959 the Beograd City Municipal Committee discussed the draft of the economic plan for 1959 and the special analysis of the development of economy and public services and housing in the course of 1957/58. During the discussion the City Municipal Committee arrived at the conclusion that the assembling of financial resources of economic organizations could considerably add to the fulfillment of the goals set by the longterm development plan for Beograd. Accordingly both

(7) ./.

the enterprises (leading officials of the Workers' Councils and of the Executive Committees were not present), while in "Jugostroj" plant the secretary of the enterprise, the chairman of the Workers' Council and the secretary of this factory's Committee of the League of Communists of Yugoslavia took part.

(8) Accordingly, the above mentioned bodies took into consideration the utilization of the financial resources assembled on

the territory of Rakovica for the construction of a large

the City Council and the Council of Producers made a recommendation to all Workers' Councils on the territory of the city.

The Workers' Councils should cooperate with the Municipal People's Committees when deciding on spending of joint funds as well as on assembling the financial resources within the municipality, i.e. city in as large a quantity as possible with a view to solving those public services and housing problems which have importance for the town as a whole and especially for all working collectives of Beograd.

In conformity with the joint programme of the Municipal People's Committees and the City People's Committee the above mentioned financial resources would be used in the course of 1959 for the following purposes:

- for the construction of public restaurants with the view of supplying meals to all workers and office employees at reasonable prices;
- for the establishment of public health centers and centers for child welfare in order to improve the conditions of employed women;
- & for procurement of vehicles for local communications and
- for the establishment of centers for athletic services."

This recommendation was put under study in March 1959 at the joint session⁽⁹⁾ of the Council of Producers of the Zakevica municipality and the Municipal Trade Unions Council.

./.. (8)
restaurant on the territory of another city municipality (Pali-
lula). However, no decision in this respect was reached.

(9) Documents necessary for this question on the agenda had been prepared and put directly at the disposal of the Council of Producers by the Municipal People's Committee Department for Economy and Finance.

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At the meeting the Council of Producers made its recommendation to all Workers' Councils on the territory of Belovien in which it was said:

1. That the Workers' Councils must put the recommendation of the City People's Committee under study and while deciding on the distribution of clear income set apart as much resources as possible for the joint Municipal Fund;

2. that the public nutrition problem on the territory of municipality was of such acute importance that it can no longer be postponed;

3. that for solving the public nutrition problem there are no other sources available than the funds of economic organizations;

4. taking into account both the size (the total income and number of workers employed) and the financial situation the Council of Producers arrived at the conclusion that the following amounts were to be taken from the social service funds of the individual enterprises and put into the joint Municipal Fund for the establishment of public restaurants:

1. "ISK" Motor Industry	11,400,000
2. "Iskord" plant	8,000,000
3. "21 Maj" plant	9,000,000
4. "Jugostroj" plant	3,900,000
5. "Jedinstvo" plant	800,000
6. "Bukovica" plant	1,500,000
7. "Buga" plant	2,900,000
8. "Kongrap" plant	1,000,000
9. "Avala" plant	400,000
10. "Prvi Maj" plant	200,000
11. "Sloga" plant	100,000
12. Hairdresser's shop	100,000
13. Catering industry enterprise "Zvezda"	100,000

- 13 -

After being read and explained at the session the recommendation was approved unanimously without any objections.

The text of the recommendation and the detailed information about public nutrition was delivered to all economic organizations.

Immediately thereafter the economic plan of the municipality was also approved in the following terms:

" - In order to solve the public nutrition problem the opening of a public restaurant is anticipated. Instead of the existing individual factory restaurants there would be centralized cooking for all workers and employees as well as for the rest of citizens of Ljubovica. For the opening of this restaurant the capital of economic organizations is to be used after their financial resources have been assembled".

The draft of the economic plan of the municipality, as well as in some cases the plan already adopted, was discussed at the meetings of workers held in most economic enterprises. On those occasions the workers were also acquainted with the measures designed for the establishment of a general restaurant at Ljubovica.

By the end of March 1959 the representatives of the Municipal People's Committee (the deputy President of the Municipal People's Committee and the leading officials of the Office for Economy and Finance), the directors and the technical personnel of the enterprises put under consideration some questions pertaining to assembling of financial resources and pattern for their payment (10).

There were some complaints from the representatives of the enterprises concerning the quotas prescribed as well the assessment about the scarcity of financial resources.

There were also a number of proposals according to which the lack of resources should be compensated for with some products and services of individual enterprises.

The recommendation of the Council of Producers was under study at the meetings of Workers' Councils.

Thus, the Workers' Council of "Jugostroj" plant adopted it in principle and arrived at the conclusion that in the course of 1959 it would be possible to set apart from the earnings 2,000,000 dinars and put this amount into the Joint Municipal Fund while the remaining part of the quotas prescribed could be paid not earlier than the next year. This position adopted by Workers' Council provoked a number of interventions before the Municipal People's Committee on the part of a number of top officials belonging to social politics organizations and People's Committees. Nevertheless, by the end of 1959 "Litostroj" plant did not apply the decision of the Workers' Council and no amount was paid into the Fund.

Having examined the above mentioned recommendation thoroughly (in the framework of discussion concerning the ~~financial~~ distribution of funds) the Workers' Council of the "Bekord" plant reached a decision in April 1959 to "reexamine the question of this year quota at the special meeting and to decide thereafter to pay its share into the Joint Fund of

(10) A representative of the Municipal People's Committee stressed the financial resources would be put into the Joint Fund of the City while each municipality would have its own bank account and its share. (All available resources would be distributed according to their purpose, namely 70 percent for public restaurants and the remaining 30 percent for local communications).

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the municipality to the due amount which on this occasion would have been evaluated as probable and in conformity with the income in the course of 1959".

Up to the end of 1959 the Workers' Councils of a number of enterprises, among them "IMR" Motor Factory of Rakovica, did not study the recommendation of the Municipal People's Committee of Rakovica.

According to the information received from the Municipal People's Committee Office for Economy and Finance the greater number of the enterprises did not formally inform the Municipal People's Committee about their decision concerning the joint contribution for establishment of a public restaurant.

By the end of 1959 the "Oksigen" plant was the only enterprise which paid in its share into the Joint Fund named "Fund of the Assembled Reserves" amounting to 500,000 dinars. As for the other enterprises they had adopted the recommendation of the Council of Producers of the Municipal People's Committee in principle and gave their support to the plan of the People's Committee concerning the establishment of a public restaurant. However, up to the end of 1959 ~~the~~ they did not ~~pay~~ in their share.

According to some indications the Workers' Councils of enterprises of a number of economic organisations with their own factory restaurants did not accept the conception concerning the establishment of a single public restaurant on the territory of Rakovica since in their opinion such a ~~unit~~ unit would not be able to supply the workers and office employees with food of such quality and low prices as they

enjoyed so far. Accordingly it could be assumed that the workers of these enterprises would not be willing to accept a solution which would impair their present standard of nourishment in one way or another.

In this connection it would be necessary to stress that the "IMR" Motor plant for instance anticipated the expansion of its existing restaurant within the framework of its plan for expansion and reconstruction of production capacities. When this plan is approved the "IMR" plant will not take part in financing the anticipated public restaurant in Rakovica.

On the other hand, the head of Rakovica Municipal People's Committee tried to explain the unsatisfactory level of payments into the Joint Fund by the fact that until October 1959 there were no systematic instruction on the method in which the payments should be made. In his opinion the reticence of the enterprises to participate in this plan was also due to the uncertainty about the location of the proposed public restaurant.⁽¹¹⁾

However, up to the incorporation of the Rakovica municipality into the Bukarica municipality the Municipal People's Committee and several social political organizations of Rakovica were striving for the realization of this plan believing that the construction of a single public restaurant was desirable and offers the most adequate solution of the nutrition problem for the factory workers as well as for other citizens.

(11) As a matter of fact, up to April 1960 the location of the restaurant has not been fixed as the originally planned location had been allocated for the expansion of the production capacities of the "IMR" motor factory.

At the beginning of December 1959 the investment programme for the establishment of the restaurant was completed but left incomplete by reason of substitution of the location.

Speaking quite generally this opinion is also shared by the present Municipal People's Committee of Ljubanica which included the erection of the restaurant in its 1960 development plan of various public services and housing units. It also foresees the use of the financial resources of economic organizations (90 million dinars) which are to be placed in a joint fund.

QUESTIONS FOR ANALYSIS:

1. In deciding to make recommendations to the Workers' Councils of enterprises, did the Council of Producers and other responsible social-political bodies of the Municipality of Ljubanica:

a) examine in an adequate and realistic manner the actual needs for the erection of a public restaurant and anticipate the financial possibilities of enterprises, and the views and desires of working collectives and other citizens;

b) examine the suitability and the economic justifiability of the establishment of a public restaurant?

2. Did the other social-political bodies of the municipality, before the elaboration of the recommendations of the Council of Producers, achieve, to a sufficient degree, the cooperation required and did they consult the enterprises in order to determine the necessities and the possibilities for the solution of the nutrition problem and for reaching the most appropriate solution?

3. In connection with the elaboration of the recommendations was there the appropriate relationship between the

- 1 -

leading officials of the factories and enterprises and the Workers' Councils?

4. Was it correct to take definite measures for the construction of a public restaurant, i.e. the arrangement concerning the draft of the investment programme:

a) before the financial possibilities of enterprises were examined and determined?

b) before the Workers' Councils gave their approval for the joint construction of a public restaurant?

c) before the Municipal People's Committee arrived at its decision, i. e. before the Council of Producers made its recommendation?

5. Did the situation in those circumstances justify the Council of Producers to make recommendation (with a definite content)?

6. Was the action taken in the course of preparation of the recommendation correct?

7. Was the draft of the recommendation thoroughly studied, fully justified and documented?

8. Did the responsible bodies of the executive authority of the Municipal People's Committee successfully carry out their tasks in the elaboration of the recommendation?

9. Were the responsible councils and the commissions of the People's Committee sufficiently active and what should they have done within the framework of preparation of the recommendations?

- 10 -

10. What should have been undertaken by the Council of Producers and other municipal bodies and what measures should have been taken after the recommendations were made?

11. How can we explain the above mentioned reactions and views of the Workers' Councils towards the recommendations of the Council of Producers?

12. What should be done in future in connection with the recommendations made by the Council of Producers?

Has the situation altered and in what a degree by the incorporation of the Latorica Municipality into the Latorica Municipality?

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